

P-511/CI-88-707 FINDING COMPANY IN VIOLATION OF THE LAW AND REQUESTING
ENFORCEMENT ACTION BY THE ATTORNEY GENERAL

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of Clara City Telephone
Company's Non-Compliance with Telephone
Assistance Plan Reporting Requirements

ISSUE DATE: March 10, 1989

DOCKET NO. P-511/CI-88-707

ORDER FINDING COMPANY IN
VIOLATION OF THE LAW AND
REQUESTING ENFORCEMENT ACTION
BY THE ATTORNEY GENERAL

STATEMENT OF FACTS

Under Minn. Stat. § 237.69 et seq. (1988) the Commission is required to establish and administer jointly with the Department of Human Services and all Minnesota telephone companies the Telephone Assistance Plan. The Telephone Assistance Plan is a program designed to promote universal telephone service by providing credits against the telephone bills of low income elderly and low income disabled persons. The credits are funded by an access line surcharge collected by the local telephone companies. The program is structured to meet requirements imposed by the Federal Communications Commission to qualify for federal matching funds and waiver of federally imposed interstate access charges.

The Commission has promulgated rules for the administration of the program under Minn. Stat. §§ 237.71 and 237.711 (1988). Those rules require telephone companies to file quarterly and annual reports setting forth amounts collected through the surcharge mechanism, amounts received as federal matching funds, amounts credited to individual customers' bills, and similar matters. Minn. Rules, part 7817.0900. Annual reports are also required under Minn. Stat. § 237.70, subd. 7 (e) (1988).

Clara City Telephone Company (the Company) has failed to file the annual report required under Minn. Rules, part 7817.0900 and Minn. Stat. § 237.70, subd. 7 (e) (1988). On February 10, 1989 the Commission notified the Company by first class mail that the report was overdue and must be submitted. The Commission has received no response.

The Company's failure to comply with reporting requirements makes the Commission unable to accurately compute the amount of money available for distribution under the Telephone Assistance

Plan and jeopardizes the continued accreditation of the Plan for federal matching funds by the Federal Communications Commission.

FINDINGS AND CONCLUSIONS

The Commission finds Clara City Telephone Company in violation of the annual reporting requirement of Minn. Stat. § 237.70, subd. 7 (e) (1988) and Minn. Rules, part 7817.0900. The Commission also finds Clara City Telephone Company in violation of its statutory duty under Minn. Stat. § 237.70, subd. 7 (1988), to administer the Telephone Assistance Plan in accordance with the guidelines set forth therein. Those guidelines include filing periodic reports as required by the Commission. Minn. Stat. 237.70, subd. 7 (d) (3) (1988).

The Attorney General is charged with enforcing Minnesota's telecommunications laws under Minn. Stat. § 237.27 (1988). The Commission requests that the Attorney General initiate enforcement action against Clara City Telephone Company on the basis of the facts set forth herein.

ORDER

1. The Commission declares Clara City Telephone Company to be in violation of the Telephone Assistance Plan annual reporting requirement set forth in Minn. Stat. § 237.70, subd. 7 (e) (1988).
2. The Commission declares Clara City Telephone Company to be in violation of the Telephone Assistance Plan annual reporting requirement set forth in Minn. Rules, part 7817.0900.
3. The Commission declares Clara City Telephone Company to be in violation of its statutory duty under Minn. Stat. § 237.70, subd. 7 (1988) to administer the Telephone Assistance Plan in accordance with the guidelines set forth therein. Specifically, Clara City Telephone Company is in violation of the reporting requirements the Commission is required to impose under § 237.70, subd. 7 (d) (3).

4. The Commission requests that the Attorney General compel the obedience of Clara City Telephone Company with the above statutes and rules pursuant to the provisions of Minn. Stat. § 237.27 (1988).

5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)